

16

U.S. Supreme Court, U. S.
✓ OCT 7 1944
CLERK OF SUPREME COURT

**In the
Supreme Court of the United States**

— 0 —
OCTOBER TERM, 1944

— 0 —
No. 465
— 0 —

SKINNER MANUFACTURING COMPANY,
A Nebraska Corporation,

Petitioner,

vs.

KELLOGG SALES COMPANY,
a Michigan Corporation,

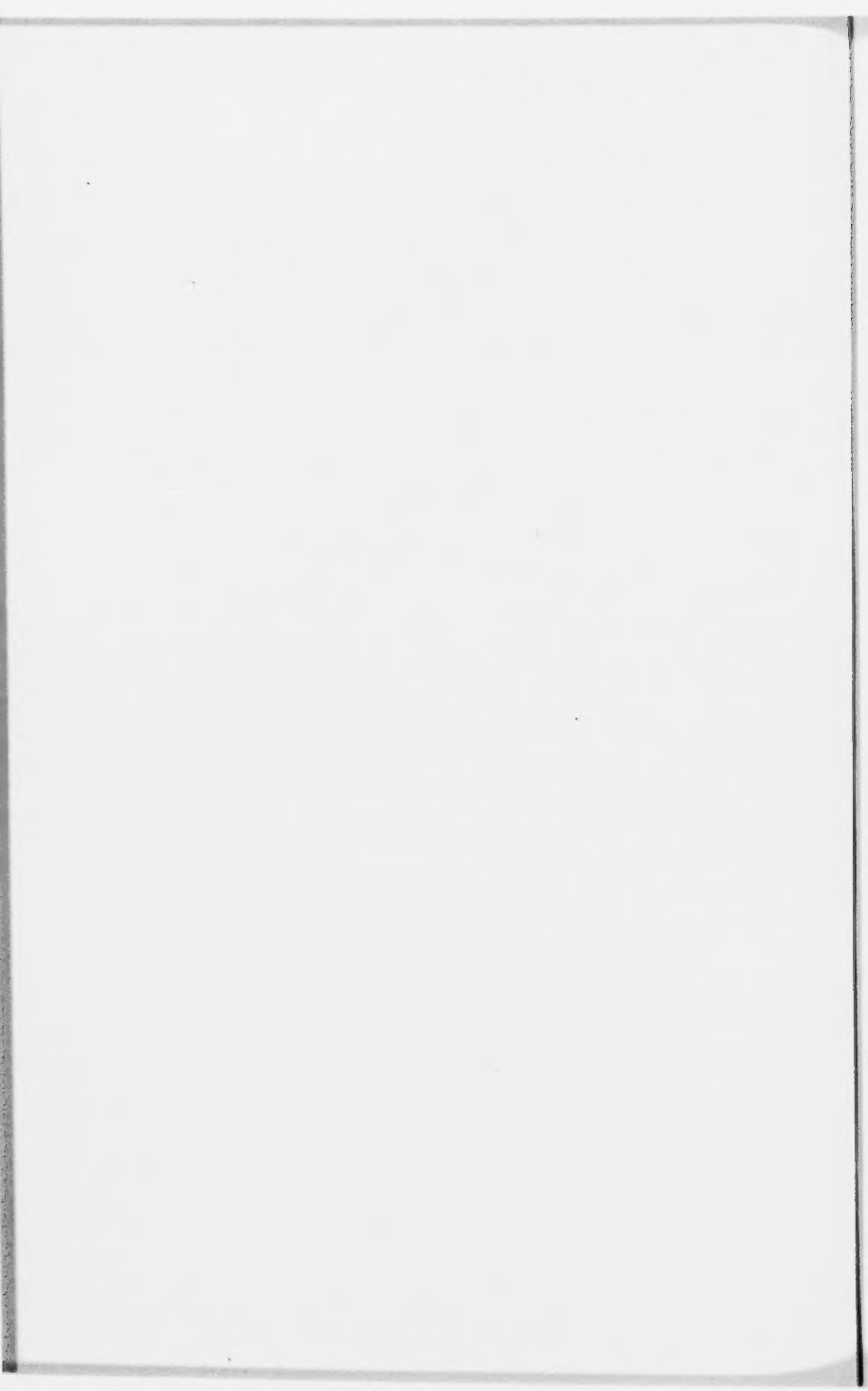
Respondent.

— 0 —
**ON PETITION FOR A WRIT OF CERTIORARI TO
THE CIRCUIT COURT OF APPEALS FOR THE
EIGHTH CIRCUIT**

— 0 —
REPLY BRIEF OF PETITIONER
— 0 —

**WILLIAM RITCHIE,
C. EARL HOVEY,**

Counsel for Petitioner.



**In the
Supreme Court of the United States**

— 0 —
OCTOBER TERM, 1944

— 0 —
No. 465
— 0 —

SKINNER MANUFACTURING COMPANY,
A Nebraska Corporation,

Petitioner,

vs.

KELLOGG SALES COMPANY,
a Michigan Corporation,

Respondent.

— 0 —
**ON PETITION FOR A WRIT OF CERTIORARI TO
THE CIRCUIT COURT OF APPEALS FOR THE
EIGHTH CIRCUIT**

— 0 —
REPLY BRIEF OF PETITIONER

— 0 —
ARGUMENT

The Respondent in its Brief predicates its argument upon the following assertions which Petitioner submits are erroneous:

1. Throughout its brief the Respondent asserts that the facts in the "Shredded Wheat Case" and in the "Raisin-BRAN" case are identical, and the similarities between the "Raisin-BRAN" case and the "Coca Cola Case" are ignored. In Part 3, pages 36 to 45, of Petitioner's Original Brief, it is pointed out that the assertions of the Respondent in this particular are erroneous.

2. On page 4 of its brief the Respondent, by quoting part of Finding 14 (T. 146) and one sentence from the Trial Court's Opinion (T. 130-132) asserts that the Trial Court found that the term "Raisin-BRAN" meant to the consuming public merely any dry prepared breakfast food which was composed of bran flakes with which raisins were mixed. Such a conclusion is not justified, for other Findings of the Trial Court show that the term "Raisin-BRAN" had come to signify to the public a single thing coming from a single source, the source being known to some and anonymous to others. See Findings of Fact 6, 14, 18, 23, 26 and 27 (T. 143, 146, 151, 154, 155). A substantial number of witnesses testified that the term "Raisin-BRAN" meant the Petitioner's product. (See Notes 3 (i), p. 121, Petitioner's Original Brief; Note 4 (i), pp. 122, 123, Petitioner's Original Brief; Note 5 (c), p. 123, Petitioner's Original Brief.) The extract from the Trial Court's Opinion (T. 130-132) is based upon erroneous conclusions of law and is not a pure Finding of Fact. (See Petitioner's Original Brief, pp. 52-53, 70-75.)

3. On page 5 of its brief the Respondent asserts that the Finding of the Trial Court that Petitioner had

wholly failed to establish a secondary meaning is a finding of fact which is binding upon the Appellate Court (F. 28, T. 155). This Finding, however, is a mixed conclusion of law and fact and was predicated upon undisputed Findings of Fact of the Trial Court numbered 4 to 27 inclusive (T. 143-155), and Finding 39 (T. 163), and upon the clearly erroneous failure of the Trial Court to find that "there was substantial evidence from various sections of the country which showed that to numerous members of the consuming public, many retailers and to most wholesalers, the plaintiff's mark 'Raisin-BRAN' means the packaged breakfast food with raisins in it distributed by the plaintiff company, and not any particular formula," this being a part of Finding of Fact 18 requested by the Petitioner (T. 83). As to the right of the Petitioner to request such a finding, see Notes 3 (c), (d), (e), (f), (g) and (i), Petitioner's Original Brief (pp. 120-121); Note 4 (e), (f), (g), (h), (i), Petitioner's Original Brief (p. 122); Note 5 (c), Petitioner's Original Brief (p. 123). See also testimony of following witnesses who testified positively that the term "Raisin-BRAN" did not mean any particular formula (T. 382, 413, 416, 421, 462, 544, 547, 638, 884, 886, 887, 889); there were no witnesses who testified that it did.

An examination of the Opinion of the Trial Court and Findings of Fact and Conclusions of Law shows also that Finding of Fact 28 (T. 155) was predicated upon the following Conclusions of Law: Undisputed conclusions 5, 6, 7, 8, 9, 15 (T. 171-173), erroneous Conclusions 10, 11, 12, 13, 14, 16, 17 (T. 172-174), and failure to make

the following Conclusions requested by the Petitioner: 6, 7, 8, 9, 10, 11, 13, 15 (T. 93-96).

There was no conflicting evidence on this point. (See pages 7 to 10, Petition for Writ of Certiorari.)

4. On page ⁸7 of its brief the Respondent asserts that there is no difference in determining the rights of a claimant to a trade-mark used on a patented product and one used on an unpatented product. Such a statement is erroneous. The rights and obligations of the parties to this litigation must be determined by equitable considerations. If there is no reason to deny a party a right, a rule which would deny him that right does not apply. A claimant whose mark, which is of a descriptive nature, is applied to a patented product is denied protection under the secondary meaning theory because to grant him protection will extend his patent monopoly beyond the time of the expiration of the patent. No such reason applies to a claimant whose mark is used on an unpatented product.

5. On page ⁸7 of its brief the Respondent assumes that the term "Raisin-BRAN" as applied to a dry prepared breakfast food, was public property before its adoption by the Petitioner, or that it became a free word following its adoption by the Petitioner. Findings 6 and 27 (T. 143 and 155) show that this is incorrect, and Petitioner has pointed out in Point 2 of its Original Brief (pp. 32-36) that this assumption is incorrect. The statement on page ⁸7 in Respondent's Brief, "But generic or descriptive names are always in the public domain," with citation to *Warner & Co, v. Lilly &*

Co., 265 U. S. 526, 528, begs the question. In the Warner & Co. case the Court merely found that the component parts of a trade name which had acquired a secondary meaning could not be exclusively appropriated where such parts were descriptive of contents of the product, but the Court did not say that a term composed of two words in a particular collocation were in the public domain. The Petitioner is not claiming the right to the exclusive use of the word "raisin" or the right to the exclusive use of the word "bran," but is claiming the right to the exclusive use of the term "Raisin Bran" when applied to a dry prepared breakfast food similar to Petitioner's product.

6. On page ¹⁰~~8~~ of its brief Respondent claims that the evidence shows that the term "Raisin Bran" did not mean Petitioner's familiar product, but rather meant a compound of particular substances. An examination of Findings of Fact 6, 14, 18, 23, 26 and 27 (T. 143, 146, 151, 154 and 155), together with the testimony referred to in Notes of Petitioner's Original Brief 3 (c), (d), (e), (f), (g), and (i); 4 (e), (f), (g), (h), and (i); 5 (b) and (c), and the evidence of the following witnesses who said it did not mean any particular formula: T. 382, 413, 416, 421, 462, 544, 547, 638, 884, 886, 887, 889, —shows that such a statement is not predicated upon the record.

7. On page ¹⁰~~8~~ of its brief the Respondent contends that the Circuit Court did not hold that the term "Raisin-BRAN" might not acquire a secondary meaning, and did not hold that a secondary meaning might not be ac-

quired by a trade name applied to an unpatented product during a period when there was no competition in the market. Petitioner contends that the Circuit Court of Appeals did, in effect so hold when it approved in toto the opinion of the Trial Court (T. Vol VII, pp. 4 and 5), and when it said "The name 'Raisin-Bran' could not be appropriated as a trade-mark * * *" (T. Vol. VII, p. 7).

8. On pages ¹¹9 to ¹²11 of its brief the Respondent predicates its argument that there was no infringement, upon its contention that one who establishes a secondary meaning in a trade name which contains words descriptive of the contents of the product is not entitled to the exclusive use of the particular term,¹ and in making its argument on this point, Respondent assumes that Petitioner is seeking the exclusive use of the word "Raisin" and the exclusive use of the word "Bran" as applied to a breakfast food similar to Petitioner's product. An examination of Petitioner's Original Brief and pleadings shows that this is not the case, but it is the use of the exact collocation of these two words into the term "Raisin-Bran" for which the Petitioner seeks protection, and Petitioner has stated that it would not have objected to the use of those words in other designations for the product where the words were not so used as to be a substantial simulation of Petitioner's term and to result in the practical appropriation of the Petitioner's trade-mark "Raisin-BRAN".

1 This is contrary to the decision of this Court in *Armstrong Paint and Varnish Works vs. Nu-Enamel Corp.*, 305 U. S. 315.

9. Respondent's statement on page 10 of its brief, that Kellogg markets its product as "Kellogg's Raisin 40% Bran Flakes", not "Raisin Bran", ignores the evidence that it advertises its product as "a raisin bran cereal" (Exs. 512, A, B, C, D, E, F, T. 317-318), and as a natural consequence of its methods of advertising and merchandising, it is usually called "Raisin Bran" by wholesalers, retailers and consumers (T. 678, 711, 722, 723, 1027, 1085, 1222, 1225-1226).

10. On page ¹²41 of its brief Respondent asserts that Petitioner seeks to achieve a virtual monopoly in the marketing of the product. The evidence and the Opinion of the Trial Court show that such would not have been the result of granting the Petitioner the relief for which it prays (T. 8). Other names were available for Respondent's product. "That the name suggested, and perhaps several other names, were available is true, but to the Court, and for reasons already suggested, so, it seems, was 'Raisin Bran' or any reasonable variation or adaptation thereof." 52 F. S. 452. See also T. 340 and Ex. 209, Note 9, p. 127, Petitioner's Original Brief.

11. ²Respondent asserts that petitioner did not originate the term "Raisin Bran" and refers to the use of the terms "Raisin Bran Bread" and "Bran Raisin Bread". The evidence on this question is not fully cited by the Respondent, but is fully set forth by the Court in

² On pages 36 and 37 of its Original Brief, Petitioner says: "The Court overlooks the fact that the evidence shows that raisin pie, raisin bread and raisin muffins were bakery products and that the respective terms were in common use for many years, the words 'pie,' 'bread,' and 'muffins' being the genus and words 'raisin' being well understood to be the species of the genus." This statement is supported by Finding 17 (T., p. 150).

Finding 16 (T. 147-150). This finding does not support the conclusion Respondent desires to be reached. Findings 6 and 27 (T. 143 and 155) contradict this assertion of Respondent.

12. In part IV of its brief the Respondent asserts that the Trial Court has reviewed the evidence in the manner required by Federal Rule of Civil Procedure 52. It has been pointed out in 3 above that Finding of Fact 28 (T. 155) is predicated upon mixed Conclusions of Fact and Law, and it has been pointed out in Petitioner's Original Brief that several of the Conclusions of Law upon which such Finding was predicated were erroneous. It is also clear from Respondent's Brief that Respondent relies for its defense that there was no infringement upon the claim that the exact use of a term which is composed of words descriptive of the component parts of a product can not be enjoined even if the term has acquired a secondary meaning. This is contrary to the decision of this Court in the case of *Armstrong Paint & Varnish Works v. Nu-Enamel Corp.*, 305 U. S. 315, and numerous of the Coca Cola decisions, all as pointed out in Petitioner's Original Brief.

Respondent's contention is equivalent to the statement that Finding 62 (T. 170) is a Finding of Fact which is not predicated upon mixed conclusions of fact and law. It is submitted, however, that Finding of Fact 62 is predicated upon erroneous Finding 28, upon erroneous Conclusions of Law 29, 31, 33, 34 and 35 (T. 176-177), and upon the Trial Court's erroneous failure to make Conclusions of Law requested by the Petitioner

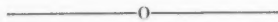
20, 21, 22, 23, 24, 25, 28 (T. 97-98) and 47, 48, 49 (T. 103-104).

13. At ^{line 9} ~~the bottom~~ of page ⁵ ~~4~~ of its brief the Respondent, in speaking of the evidence as to secondary meaning says, "Conflicting evidence on this subject"; at at the bottom of page ¹⁶ ~~13~~ of its brief Respondent says, "In its opinion, the Circuit Court stated that the evidence on this first question (secondary meaning) was conflicting." No such statement is made in the Circuit Court's opinion, that Court merely said, "The evidence of the appellant tended to show that the name had acquired a secondary meaning, while the evidence of the appellees tended to show that the name * * * had retained its primary generic meaning" (T. Vol. VII, p. 8). An examination of this evidence shows that the testimony as to Petitioner's business and business methods is undisputed (Note 1, p. 119, Petitioner's Original Brief), and the variations in the testimony as to the public's understanding in the matter is not a conflict of testimony, but as was stated on page 8 of the Petition for Writ of Certiorari, "The testimony of these witnesses relates to the understanding, knowledge and practices of these witnesses, but does not present a conflict of evidence which destroys the credibility of any of them." This testimony is digested in Notes 3, 4, 5 and 6 on pages 119 to 125 of Petitioner's Original Brief.

14. On page ⁸ ~~6~~ of its brief the Respondent says, "upon full consideration of the evidence by both lower courts * * *"; on page ¹⁷ ~~14~~ of its brief Respondent says, "In the Circuit Court, petitioner obtained a review of

the facts * * *.” These statements are not borne out by the following excerpts from the Circuit Court’s opinion: “Under the evidence, the issue (secondary meaning) was one of fact to be tried and determined by the lower court, and its determination is binding upon this court” (T. Vol. VII, pp. 8-9); “whether the similarities which exist between the packages used by appellees and the package used by appellant have caused or are likely to cause deception and confusion in the trade, were, we think, questions of fact for the trial court to determine” (T. Vol. VII, p. 10).

Petitioner submits that it is significant that Respondent has not challenged any statement of fact made in Petitioner’s Petition or Brief. This indicates clearly that there was no evidence which could properly be called conflicting.



CONCLUSION

It is apparent from its Brief that Respondent relies upon the Trial Court’s Findings 28 and 62, both of which were predicated upon erroneous conclusions of law, and upon the Appellate Court’s conclusions that these Findings were not subject to review by the Circuit Court of Appeals. This being the case, it is submitted that since these findings did not resolve conflicting testimony (See pages 7 to 10, Petition for Writ of Cer-

tiorari) but were predicated upon clearly erroneous conclusions of law, and for the reasons stated on pages 21 to 25 of the Petition for Writ of Certiorari, the Writ should be allowed.

Respectfully submitted,

WILLIAM RITCHIE,
Omaha, Nebraska,

C. EARL HOVEY,
Kansas City, Missouri,
Counsel for Petitioner.

OF COUNSEL:

RITCHIE & SWENSON,
Omaha, Nebraska,